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CENTRAL INTELLIGENCE AGENCY

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S-E-C-R-E-T

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REPORT

SUBJECT Information on the Chemical Industry
in Slovakia

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report containing comments on
planned developments of the chemical industry, particularly in the Slovak
area.

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1. In the immediate post war years, the chemical industry expanded in only one direction; the production of heavy chemicals and fertilisers. The production of plastics and synthetic fibres was ignored, since the necessary raw materials - crude oil and natural gas - were not available in large enough quantities.

2. However, this has all been changed by the construction of a crude oil pipeline from the U.S.S.R. and it will now be possible to undertake those projects in the Third Five Year Plan (1961 - 1965) which were prepared some years ago. Investment in the general region of 15 thousand million crowns is planned for this section of industry, of which 45% will be allotted to Slovakia, which will thus contribute (in a hitherto unprecedented scale) to the raising of the industrial and military capacity of the C.S.R., and therefore of the Eastern Bloc as a whole.

3. The introduction of Czechoslovak chemical products in the Western European market undeniably confirms that these projects have been realised.

4. If the production of fuels in the C.S.R. is compared with the crude oil output, it is clear that output cannot keep pace with production. The yearly production of fuel is 1 million tons, as opposed to an output of only 300,000 tons of crude oil. So that the great part of the consumption is covered by synthetic production from brown coal (by the Fischer-Tropsch Method).

5. Good conditions for the production of synthetics are supplied by the large brown coal field in MOST (BRUX, Sudetenland). There the STALIN Works with their yearly production of 600,000 tons of fuel fill 60% of Czech requirements. This production is not a paying proposition, however, since about 10 tons of coal are needed to produce 1 ton of synthetic fuel.

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Until recently the C.S.R. had no alternative and had to fill the increasing demand by this method. There was also a plan afoot to build a large works for the production of synthetics in HANDLOVA, the Slovakian brown coal centre; the plan has since been cancelled.

6. Soviet experts had not approved of this development, especially because the raised coal production made it possible to use brown coal more economically for other purposes. They suggested that the Czech fuel demand could be covered by deliveries of Soviet crude oil. Of course, this "handsome" offer has a political background.

7. Soviet deliveries will be made through the crude oil pipeline which should soon be finished. The pipeline joins the Soviet oil area with the large "VLCIE HRDLO" refinery some 15 km south east of PRESSBURG (BRATISLAVA). The crude oil should start to flow there towards the end of 1964. In 1965 Soviet deliveries should reach 6 million tons, and in 1975 14 million tons. Of these the refinery at BRATISLAVA will refine only 5 million tons and 9 million tons respectively, the rest will go to the refinery being built near POZDISOVICE (Michalovce region, East Slovakia), which will have a branch pipeline from the U.S.S.R. leading to it. These two factories will supply 70% of the Czech demand for fuels as well as 30% of the future demand for lubricants. They ought also to produce raw materials for plastics and synthetic rubber.

8. The brown coal in MOST will be much more refined and the production of synthetic fuels will gradually cease to be so important. This development should result in an increased production of methanol, phenol, cresol, toluol, pyrocatechine and propane-butane. There will also be the introduction of a synthesis of ethylacohol. In the balance of trade the placing of these products on the markets of the free world will have the effect of dumping prices. The erection of these two factories in

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Slovakia will free the works at MOST for the manufacture of export goods.

9. The rise in production in the chemical industry should also result in a rise in the production of sulphuric acid, artificial fertilisers, carbides, synthetic fibre and plastics, polyvinylchloride (PVC) as well as paints and varnishes. The Wilhelm Pieck Chemical Works in NOVAKY has become the centre of military chemical work (except for normal explosives); emphasis has been placed on the production of chloric and hydrochloric compounds and PVC. This factory is now the only producer of PVC in the whole of the C.S.R., since the newly ordered installations for the "Synthesia" Works in SEMTIN (near PARDUBITZ) were transferred to that factory.

10. Hitherto ~~pyrite~~ has had to be imported for the production of sulphuric acid, now a long-term trade agreement with Poland ensures increasing deliveries of sulphur from Polish sources. In 1960 the production of sulphuric acid in the whole of the C.S.R. was to be (according to plans of 1955) 580,000, of which 280,000 tons were to come from Slovakia. In the following Five Year Plan the Slovakian production was to rise to 350,000 tons (in 1965) and to 580,000 tons (in 1970). The three factories in Slovakia - in BRATISLAVA, SILLEIN and KOSTOLANY nad Hornadom - and especially the one in KOSTOLANY nad Hornadom (some 20 km north of KASCHAU) will be altered and the capacity greatly enlarged. (For comparison: the production of sulphuric acid in KOSTOLANY was 100,000 tons in 1956). The greater portion of sulphuric acid will immediately be used to make superphosphate.

11. Artificial fertilisers were not formerly produced in Slovakia but will now be manufactured by a large nitrogen factory which is being constructed in SALA nad VAHOM (about 50 km east of BRATISLAVA). However, its construction is not following in accordance with the Comecon plan, and there is already some months' delay, due to late deliveries from Czech factories.

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12. The nitrogen combine near SALA lies directly on the route of the crude oil pipeline from the U.S.S.R. On completion, which should be in 1965, its capacity will be about 300,000 tons, which is more than the whole Czechoslovak output for 1960. Through its cheaply acquired acetylene (from methane) it will influence the production of carbide, which, with the help of the DDR, was begun in 1955 in the NOVAKY chemical works. In 1956 the output reached 30,000 tons. In 1957 carbide became an export article and on completion of a new furnace in NOVAKY the production of carbide will fill the home demand and there will be enough for it to be exported in an increasing quantity. The surplus will first of all benefit the Soviet Union, since she must still import carbide. In 1955 the U.S.S.R. had to import 80,000 tons of carbide, to which the C.S.R. contributed 3% of her total production, although she was also buying carbide.

13. The production of cyclo-hexanol in Moravian Ostrava has not kept pace with the planned increase of production of the polyamid/fibre "Kapron" in the "CHEMKO" chemical combine in HUMENNE (East Slovakia). The Soviet Union has also had to help out here, not of course, without making capital out of it.

14. The bottleneck in the production of chlorine will be by-passed by a new electrolysis works at NOVAKY and another at HNUSTA. The expansion of the present electrolysis works in NERATOVICE (about 30 km north of PRAGUE) should also help to improve the situation.

15. The East Bloc economists of Comecon have promised that Czechoslovak synthetics will soon be able to compete successfully with those of the free world and so bring in valuable currency.

16. The production of carbon black (for rubber goods) in Moravian Ostrava as well as that of carbon disulphide in USTI nad Labem is dependent on deliveries of charcoal from HNUSTA-LIKIER (Rimavska Sobota

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District, South East Slovakia). The new factory for the production of carbon disulphide in TURCIANSKE TEPLICE (formerly STUBIANSKE TEPLICE, Mid-Slovakia) which was begun in 1956 should fill the needs of all factories in the C.S.R. for the production of viscose fibres.

17. The production of paints and varnishes in the C.S.R. is highly centralised. The works in Bohemia and Moravia, where they were formerly produced, have been replaced by mass production in SMOLENICE near NYRNAU. In spite of the large capacity of the works in SMOLENICE the production of paints and varnishes is one of the least developed branches of chemistry in the C.S.R. (from the technical point of view).

18. It is planned to build a factory for the production of titanium-white in SMOLENICE or KOSECA; this will have a yearly output of 17,000 tons, which ought to strengthen the export balance of the chemical industry considerably (output of the factory in HURSOV Krupina District, Slovakia, was 3,000 tons in 1958). Titanium-white is in demand everywhere and the output of this factory will certainly contribute to fulfilling the needs of the Eastern Bloc (with the exception of the U.S.S.R.).

19. The production of explosives was formerly concentrated in SEMTIN (East Czech Chemical works, a fusion of "Explosia" and "Synthesia") and in the "Juraj Dimitrov" Chemical Works in BRATISLAVA ("Astralit", "Donarit" and other unknown explosives). New explosives factories are now under construction in Slovakia. The new chemical factory in TURCIANSKE TEPLICE will chiefly manufacture explosives. Ing. SLASTAN (Slovakian Academy of Sciences) states that experimental work with rocket fuels using rubber and dimethylaniline was being undertaken here.

20. In this respect there is another project at DOBRA VODA; it is not a new building, but one which has been altered and modernised, with a new production programme. It produces nitro-cellulose and nitro-

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cellulose gunpowder, and diglyccol-dinitrate explosive. This also includes a research institute.

21. These factories strengthen considerably the military capacity of the Warsaw Pact States.

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